



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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August 7, 2001

Daniel C. Sheppard  
GoldTerra, Incorporated  
P.O. Box 783  
Price, Utah 84501

Re: Tentative Approval to Commence Large Mining Operations, GoldTerra, Inc., Blue Castle Mine, M/015/077, Emery County, Utah

Dear Mr. Sheppard:

The Division has completed the review of your latest submission regarding the Blue Castle Mine. The original notice was received on August 9, 2000. After reviewing this latest information, the Division is now prepared to grant tentative approval of the Blue Castle large mining permit application. We will prepare and publish a formal notice of tentative approval in the appropriate Salt Lake City and Emery County newspapers. This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Prior to issuing final approval, a Reclamation Contract (Form MR-RC) must be completed and filed with this office (form enclosed). It must be attached to the reclamation surety for this project. The reclamation surety amount is calculated to be \$281,200 in year 2006 dollars. Please let us know which type of surety you propose to file so we can provide you with the appropriate form. Please send us a "draft" copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy. *The surety and MR-RC needs to be provided by the end of the public comment period by September 14, 2001.* Please be advised that formal written BLM approval is also required prior to initiating large mining operations on the federally managed lands.

Thank you for your cooperation and patience in completing this permitting process.

Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

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Enclosure: Form MR-RC  
cc: Dean Nyffeler, Price BLM FO  
M15-77-tentapv.doc